## LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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## FISCAL IMPACT STATEMENT

**LS 6497 NOTE PREPARED:** Dec 10, 2010

BILL NUMBER: SB 95 BILL AMENDED:

**SUBJECT:** Towing Services.

FIRST AUTHOR: Sen. Holdman BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State

DEDICATED FEDERAL

Summary of Legislation: This bill provides that a towing service that provides professional towing services shall release a passenger motor vehicle to the owner or a representative of the owner upon the receipt of the towing service of certain documentation concerning the charges and the ownership of the vehicle. The bill provides that upon release of the vehicle: (1) the towing service may no longer claim a statutory or possessory lien on the vehicle; and (2) the insurer of the vehicle shall pay the reasonable and customary charges for professional services proved by the towing service, including interest on unpaid charges for the professional services, beginning on the thirty-first day after the release of the vehicle.

Effective Date: July 1, 2011.

<u>Explanation of State Expenditures:</u> The bill requires a towing service to submit charges that the towing service charges for professional services to the nearest State Police post (there are 18 in the state). This requirement should not add additional expenditures for the State Police.

<u>Background Information</u>: Each post creates a rotation list, either in zones or counties, of wrecker services that wish to be on the list. To be on the list the wrecker service must fill out a questionnaire; this tells what types of services they have available (i.e., large tractor trailer, air bags, fenced lot, etc.). Once they submit the questionnaire, someone from the post goes to the wrecker service and inspects the company to ensure they have the services they claim. After a successful inspection, the towing service is placed on the rotation list

## **Explanation of State Revenues:**

SB 95+ 1

## **Explanation of Local Expenditures:**

**Explanation of Local Revenues:** 

State Agencies Affected: Indiana State Police.

**Local Agencies Affected:** 

**Information Sources:** Captain Sherry Beck, ISP.

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SB 95+ 2